



December 5, 1997

Cynthia L. Johnson
Director, cash Management Policy and Planning Division
Financial Management Service
U.S. Department of the Treasury
Room 420, 401 14th Street, SW
Washington, D.C. 20227

Dear Ms. Johnson:

The Korean Youth & Community Center, Inc., (KYCC) write to urge the Department of Treasury to address these four critical components of its proposed rule on Electronic Funds Transfer 1999 (31 CFR Part 208). KYCC is a non-profit organization that strives to serve the evolving needs of the Korean American population in the greater Los Angeles area as well as the multi-ethnic Koreatown community. Since many in our service population is of lower income, we cannot help but be concerned with this issue.

The law directs Treasury to provide all recipients who will receive federal payments electronically access to an account at a financial institution at a reasonable cost and with the same consumer protections available to others. Treasury should regulate all accounts established by recipients to ensure that recipients: (1) have accounts at regulated financial institutions, (2) that fees charged are reasonable and affordable over the long-term, and (3) that consumer protections apply to all account transactions. Also, the Treasury must not allow EFT partnerships between banks and check cashiers.

Electronic Transfer Accounts should be free of monthly service charges and offer the same features and protections as current mainstream checking accounts; including such services as checks or money orders, ATM cards, customer support and accept additional deposits because we believe that all recipients of federal benefits should have the option of choosing an ETA.

We are pleased with Treasury's proposal to allow recipients to self-certify their eligibility for waivers. However, the waiver provisions must be broadened to allow waivers for hardships posed by mental disabilities, literacy concerns, or language barriers. Financial hardship waivers should be available to anyone who finds it too expensive to maintain a bank account to receive benefits, not just those without bank accounts. Recipients should be able to receive waivers at any point, in case of an unforeseen physical disability or other hardship.

We understand that the Treasury Department will launch a public education campaign to inform recipients of EFT 99 and to encourage them to receive their benefits electronically. It is critical that this campaign informs people of all their options. The information on EFT 99 must be clear and available in appropriate languages.

Thank you for your attention to this matter.

Sincerely,
Bong Hwan Kim
Executive Director, KYCC

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